



Punjab Cities Program (P156972)

SOUTH ASIA | Pakistan | Social, Urban, Rural and Resilience Global Practice Global Practice | Requesting Unit: SACPK | Responsible Unit: GSU12
IBRD/IDA | Program-for-Results Financing | FY 2018 | Team Leader(s): Shahnaz Arshad

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Program Development Objectives

Program Development Objective (from Program Appraisal Document)

The objective of the Operation is to strengthen the performance of participating urban local governments in urban management and service delivery.

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Satisfactory

Implementation Status and Key Decisions

The Punjab Municipal Development Funds Company (PMDFC) is assisting the 16 participating Municipal Committees (MCs) to achieve the reduced set of Minimum Access Conditions specified for the first performance assessment. These require MCs to have:

- Updated infrastructure maps.
- Approved Annual Development Plans.
- Core locally appointed staff to operate systems.
- Functional websites and automated systems for managing finances, complaints, and performance.
- Environment and social management focal persons; systems for preparation, approval, and supervision of investments; and capacity to develop and implement environment and social management instruments.

Achievement of these results, once duly verified, will lead to the successful MCs receiving the first Performance-Based Grant.

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P156972	IDA-62430	Effective	USD	200.00	200.00	0.00	0.00	192.51	0%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P156972	IDA-62430	Effective	25-May-2018	29-May-2018	29-May-2018	30-Sep-2023	30-Sep-2023

Program Action Plan

Action Description	1. PMDFC will conduct workshops to sensitize and inform all Program MCs about PCP, MACs, PMs, PBGs, and the IPF Window.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
LG&CDD/PMDFC	No		21-Jan-2019		Not Yet Due
Comments	LG&CDD and PMDFC have been interacting frequently with elected representatives and appointed officials of Program MCs. A formal Program Launch Workshop with all MCs is planned after PC-I approvals by the Government.				

Action Description	2. MCs will fully operationalize systems developed under PMSIP. No disbursement will be made to any defaulting MC against the achievement of reduced MACs.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
MCs	Yes	YEARLY		MCs have achieved MACs	In Progress
Comments	PMDFC is assisting MCs in getting all systems developed under PMSIP to become fully operational. This will be verified during the assessment of the reduced MACs, and all APAs thereafter.				

Action Description	3. FD will ensure that PBG disbursements to MCs are fully integrated into the provincial budget and released to cities within 30 days of disbursement by the Bank. Failing this, further Program disbursements will be suspended.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
Finance Department	Yes	YEARLY			Not Yet Due
Comments	The first PBG disbursement is yet to take place.				

Action Description	4. MCs will report on grant funds utilization through required biannual and annual reporting processes, using customized Chart of Accounts for new conditional grants in budget, and expenditure recording second year onwards				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
LG&CDD and Finance Department	Yes	SEMIANNUAL			Not Yet Due
Comments	The first PBG disbursement is yet to take place.				

Action Description	5. The APA will report on implementation status and compliance with environmental and social management and investments.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
LG&CDD and APA Firm	Yes	YEARLY			Not Yet Due
Comments	The APA cycle has not yet been initiated.				



Action Description	6. LG&CDD will procure an independent private firm for APA (annually or on multiyear contract), and ensure adherence to PBG disbursement cycle.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
LG&CDD	Yes	YEARLY			Not Yet Due
Comments	Delayed government approvals are impacting procurement of the APA firm. While the action is not yet due, further delays in PC-I approvals could lead to the APA agency not being engaged within the prescribed period (within 6 months of Effectiveness).				

Action Description	7. MCs will seek guidance on environmental and social management system as described in the POM, which is consistent with provincial systems and principles.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
LG&CDD and PMDFC	Yes	CONTINUOUS			Not Yet Due
Comments					

Action Description	8. Appointment of Environmental Specialists and Social Development Specialists for each PMDFC team (Lahore-based team plus three regional teams).				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
PMDFC	Yes	CONTINUOUS			Not Yet Due
Comments	Delay in PC-I approvals and release of funds to PMDFC is impacting recruitment of specialists by PMDFC.				

Action Description	9. Technical staff in MCs trained on O&M Manuals as part of sensitization conducted by the LG&CDD/ PMDFC.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
LG&CDD and PMDFC	Yes	CONTINUOUS			Not Yet Due
Comments					

Action Description	10. LG&CDD/LGB will appoint qualified officials to fill vacancies in provincially appointed MC positions.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
LGB and LG&CDD	Yes	CONTINUOUS			Delayed
Comments	The change in government and turnover of key counterparts at LGB and LG&CDD has delayed appointment of officials against provincially appointed MC positions.				



Action Description	11. Tenure of provincially appointed officials will be maintained by LG&CDD/LGB for at least 3 years, except for exceptional cases.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
LGB and LG&CDD	Yes	CONTINUOUS			Not Yet Due
Comments					

Action Description	12. DG District Audit, Punjab will ensure that audits of financial statements of the 16 MCs are conducted, and reports shared with the Bank not later than October 30 each year. A private audit firm may be used in the initial years.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
DG District Audit/Private Firm	Yes	YEARLY			Not Yet Due
Comments					

Action Description	13. MCs will maintain focal persons for finance, planning, internal audit, accounting, procurement, and complaint handling throughout implementation.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
MCs	Yes	CONTINUOUS			In Progress
Comments					

Action Description	14. MCs will provide bi-annual and annual reports on financial and Program implementation, safeguard management, grievance redress, and other relevant information.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
MCs and PMDFC	Yes	SEMIANNUAL			Not Yet Due
Comments					

Action Description	15. MCs will appoint focal persons for Environment and Social Management.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
MCs	Yes	CONTINUOUS			In Progress
Comments					

Action Description	16. MCs will adopt and implement the updated Environmental and Social Management Framework (ESMF).				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status

PMDFC and MCs	Yes	CONTINUOUS			Not Yet Due
Comments					

Action Description	17. MCs will update and implement the following already developed under PMSIP: (a) Communication Strategy (b) Public Consultation Framework				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
PMDFC and MCs	Yes	CONTINUOUS			In Progress
Comments					

Action Description	18. MCs will develop, notify, and implement SOPs for Physical Cultural Resources and Health, Safety, and Environment.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
PMDFC and MCs	Yes	CONTINUOUS			Not Yet Due
Comments					

Action Description	19. MCs will improve enforcement of labour and gender-related laws.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
PMDFC and MCs	Yes	CONTINUOUS			Not Yet Due
Comments					

Action Description	20. MCs will ensure generation and monitoring of environmental data, and coordination with relevant agencies.				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
PMDFC and MCs	Yes	CONTINUOUS			Not Yet Due
Comments					

Action Description	21. Institutional strengthening of LG&CDD/LGB				
Responsibility	Recurrent	Frequency	Due Date	DLI#	Status
PMDFC	No		31-May-2019		Not Yet Due



Comments	
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Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Substantial	--	● Substantial
Macroeconomic	● Substantial	--	● Substantial
Sector Strategies and Policies	● Moderate	--	● Moderate
Technical Design of Project or Program	● Moderate	--	● Moderate
Institutional Capacity for Implementation and Sustainability	● Moderate	--	● Moderate
Fiduciary	● Substantial	--	● Substantial
Environment and Social	● Substantial	--	● Substantial
Stakeholders	● Low	--	● Low
Other	● Moderate	--	● Moderate
Overall	● Substantial	--	● Substantial

Results

PDO Indicators by Objectives / Outcomes

PDO Indicator 1				
▶Score in the APA for achievement of institutional performance measures, averaged across all MCs that qualify. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	60.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				
PDO Indicator 2				
▶People living in targeted cities benefiting from municipal service delivery infrastructure created or rehabilitated under the Program. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	1,000,000.00

Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				
▶PDO Indicator 2.a. Of which female (Supplemental) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	50.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				

Intermediate Results Indicators by Results Areas

IR Indicator 1.1				
▶MCs with the full set of enhanced e-governance systems operationalized. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	8.00	--	8.00	16.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				
▶IR Indicator 1.1.a. Performance Management System (Supplemental) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	8.00	--	8.00	16.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				
▶IR Indicator 1.1.b. Computerized Financial Management System (Supplemental) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	8.00	--	8.00	16.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				
▶IR Indicator 1.1.c. Complaint Tracking System (Supplemental) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target

Value	8.00	--	8.00	16.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				

IR Indicator 1.2

►MCs with Infrastructure Maps updated under the Program. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	10.00
Date	29-May-2018	--	15-Nov-2018	31-May-2023
Comments				

IR Indicator 1.3

►MCs with IDAMPs developed and adopted, ensuring consultation with women groups. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	5.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				

IR Indicator 1.5

►MCs with at least 10% increase in OSRs. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	5.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023
Comments				

IR Indicator 1.4

►MCs with timely audits conducted of annual financial statements and no adverse or disclaimed audit opinion. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	16.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023

Comments

IR Indicator 1.6

► Annual performance assessment of Program MCs conducted on time. (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No APAs conducted	--	No APAs conducted	APAs conducted per annual schedule.
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023

Comments

IR Indicator 2.1

► Percentage of local infrastructure targets as set out in the annual work plans delivered by MCs utilizing Program funds. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	80.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023

Comments

IR Indicator 2.2

► Percentage of infrastructure contracts with gender responsive working conditions (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	80.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023

Comments

IR Indicator 2.3

► MCs that execute at least 80 percent of their annual O&M budget. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	10.00
Date	29-May-2018	--	15-Nov-2018	31-Mar-2023

Comments



Disbursement Linked Indicators

▶DLI 1 MCs have achieved MACs (Process, 45.00, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	Fourth APA
Value	0.00	--	NA	X MCs have complied with MACs
Date	--	--	15-Nov-2018	--
Comments				

▶DLI 2 MCs have achieved PMs as scored in the APA (Process, 135.00, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	Fourth APA
Value	0.00	--	0.00	70.00
Date	--	--	15-Nov-2018	--
Comments				